

**STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION**

SBC Communications, Inc.,	)	
SBC Delaware Inc.	)	
Ameritech Corporation, Illinois Bell	)	
Telephone Company d/b/a Ameritech Illinois,	)	
and Ameritech Illinois Metro, Inc.	)	
	)	98-0555
Joint Application for approval of the	)	
Reorganization of Illinois Bell Telephone	)	
Company d/b/a, and the reorganization of	)	
Ameritech Illinois Metro, Inc. in accordance	)	
With Section 7-204 of the Public Utilities Act	)	
and for all other appropriate relief.	)	

**BRIEF ON EXCEPTIONS ON RE-OPENING OF NEXTLINK ILLINOIS, INC.**

NEXTLINK Illinois, Inc. ("NEXTLINK") hereby respectfully submits this Brief on Exceptions on Re-Opening in response to the Hearing Examiner's Proposed Order on Re-Opening ("HEPO") dated August 10, 1999 in the above-captioned proceeding. NEXTLINK urges the Illinois Commerce Commission ("Commission") to reject the June 10, 1999 Amended Joint Application of SBC Communications Inc. ("SBC"), SBC Delaware Inc., Ameritech Corporation ("Ameritech"), Illinois Bell Telephone Company d/b/a Ameritech Illinois ("Ameritech Illinois"), and Ameritech Illinois Metro, Inc. (collectively "Joint Applicants") for approval of the acquisition of Ameritech Corporation by SBC. In the alternative, in the event that the Commission nonetheless approves this acquisition, NEXTLINK asks that the Commission condition such approval as set forth herein pursuant to its authority under Section 7-204(f) of the Public Utilities Act ("Act") to impose such conditions as are necessary to protect the public utility Ameritech Illinois and its customers. (220 ILCS 5/7-204(f)).

## **I. BACKGROUND AND APPLICABLE LAW**

As stated in its Initial Brief dated February 23, 1999 (“NEXTLINK Initial Brief”), its Reply Brief dated March 11, 1999 (“NEXTLINK Reply Brief”) and its Brief on Re-Opening dated July 27, 1999 (“NEXTLINK Brief on Re-Opening”), NEXTLINK has consistently urged the Commission to reject SBC’s proposed acquisition of Ameritech because it fails to meet the criterion set forth in Section 7-204(b)(6) of the Illinois Public Utilities Act (“Act”) that it is not likely to produce a significant adverse effect on competition. (220 ILCS 5/7-204(b)(6)). In these prior briefs, NEXTLINK also has urged the Commission to reject the proposed acquisition because it fails to meet the criterion of Section 7-204(b)(7) of the Act that it is not likely to result in any adverse rate impacts on retail customers. (220 ILCS 5/7-204(b)(7)). NEXTLINK also has taken the position that if the Commission does approve the acquisition, it should use its broad Section 7-204(f) authority to protect Ameritech Illinois customers by imposing conditions that are necessary to safeguard SBC/Ameritech’s competitors. (220 ILCS 5/7-204(f)). In the NEXTLINK Brief on Re-Opening, NEXTLINK detailed the conditions that should be imposed by the Commission based on the “commitments” offered by SBC/Ameritech in their Amended Joint Application.

In this Brief on Exceptions on Re-Opening, NEXTLINK again contends (a) that the Commission should reject the proposed acquisition because of its significant adverse effect on competition and its likelihood of adverse rate impacts on retail customers; and (b) that the Commission must impose conditions to protect competitors in the event the acquisition is approved. Therefore, NEXTLINK incorporates the NEXTLINK Initial Brief, the NEXTLINK Reply Brief and the NEXTLINK Brief on Re-Opening herein.

Consistent with the arguments from its prior briefs and the record in this proceeding, NEXTLINK respectfully contends that the HEPO should be rejected by the Commission and that the Commission should instead adopt a Final Order which rejects the Amended Joint Application on the grounds it does not comply with either Section 7-204(b)(6) or Section 7-204(b)(7) of the Act. (220 ILCS 5/7-204(b)(6),(7)). In the alternative, if the Commission instead approves the acquisition NEXTLINK asks that the HEPO be revised to address the following issues: (1) the insufficient interconnection commitments required of SBC/Ameritech and the need for penalties for SBC/Ameritech's failure to meet interconnection commitments; (2) the inadequate Operations Support Systems ("OSS") performance measurements, standards/benchmarks and remedies; and (3) the need for a Commission compliance proceeding to ensure that SBC/Ameritech complies with the requirements of the Commission's Final Order in this proceeding.

## **II. THE JOINT APPLICANTS' INTERCONNECTION COMMITMENTS ADOPTED BY THE HEPO ARE INSUFFICIENT TO PROTECT CONSUMERS**

### **A. Joint Applicants' Interconnection Commitments are Insufficient**

NEXTLINK respectfully submits that the interconnection commitments set forth in the HEPO should be strengthened and expanded, and that associated penalties should apply for SBC's failure to comply with these commitments. For purposes of promoting a competitive market, SBC/Ameritech must be required to import both voluntary and arbitrated interconnection arrangements to Illinois and should not be the party which decides whether such arrangements are offered to an Illinois CLEC. This is necessary to protect Ameritech Illinois' customers because SBC's proposed acquisition of Ameritech would otherwise lessen competition for local telecommunications services. Therefore, the Commission must condition the acquisition in this

manner pursuant to its Section 7-204(f) authority. (220 ILCS 5/7-204(f)). Moreover, it must be clear that this condition applies not only to interconnection arrangements obtained by CLECs in SBC's current incumbent service territory, but also to arrangements obtained by CLECs in Ameritech's incumbent service territory other than Illinois and arrangements obtained by a CLEC affiliate of SBC/Ameritech from any incumbent LEC. Whether the term or condition is in Texas, Michigan or Florida, competitors in Illinois should be able to take advantage of it.

SBC/Ameritech's position, which has been adopted by the HEPO, is that it should not be required to provide to CLECs unbundled network elements ("UNEs"), services, facilities or interconnection agreements/arrangements if they are not technically feasible. (SBC/Ameritech Exhibit 1.3 at 7). While NEXTLINK acknowledges the technical infeasibility issue, it is critical that the Commission adopt a procedure under which the Commission Staff reviews each interconnection arrangement to determine technical feasibility as well as consistency with state law and policy, and recommends rejection of the arrangements if there are state-specific reasons for such rejection.

Moreover, if a particular interconnection arrangement is found to be technically infeasible at a particular time, SBC/Ameritech must be required to either provide an acceptable alternative or take the necessary steps to make such arrangement technically feasible under Commission supervision within a reasonable period of time. Even if SBC/Ameritech is required to offer all technically feasible interconnection arrangements in Illinois and make those which are not technically feasible within a reasonable period, this requirement will not truly be meaningful unless substantial penalties are assessed against SBC/Ameritech if it does not comply. Otherwise, competitors would be forced to arbitration to achieve SBC/Ameritech compliance with this requirement which is hardly an improvement on what already exists today.

To force competitors to arbitration for enforcement of requirements that should be complied with in the first place places competitors at a tremendous disadvantage and puts unreasonable burdens on them. Therefore, in addition to the requirement of importing interconnection arrangements discussed here, the Commission also should initiate the post-acquisition Commission compliance proceeding further discussed infra for the purpose of, among other things, determining the appropriate penalties for the failure of SBC/Ameritech to offer any of the interconnection arrangements required by the Commission's Final Order in this proceeding.

**1. Exceptions to the HEPO Regarding the Insufficiency of Joint Applicants' Interconnection Commitments**

In accordance with the foregoing, NEXTLINK respectfully disagrees with the Commission Analysis and Conclusion on pages 50 and 51 of the HEPO and submits that the HEPO should be modified as follows:

**Commission Analysis and Conclusion**

We conclude that Joint Applicants' proposed commitment is responsive to our questions, but is not sufficiently detailed to satisfy any concerns about its implementation, and will therefore be subject to effective enforcement measures. We further conclude that the proposed interconnection commitment, as modified by the Order, will have procompetitive benefits accruing to both CLECs and end-users in Illinois that would not exist absent the merger.

As a starting point, ~~we agree with Joint Applicants that while~~ TA96 does not require an incumbent LEC to offer "most favored nation" treatment to CLECs based on interconnection agreements that the incumbent LEC or its affiliate may have in other states, it is an appropriate condition for Commission approval of this merger. Thus, Joint Applicants' agreement to give CLECs such "most favored nation" treatment with respect to arrangements that SBC has negotiated in other states ~~is a substantial step beyond current legal requirements~~ is consistent with the Commission's authority under Section 7-204(f) of the IPUA. It therefore

represents a procompetitive benefit to Illinois that would not exist without the merger, because it allows CLECs to opt into a potentially much broader range of arrangements than previously was available. In addition, Joint Applicants have committed to make available in Illinois certain arrangements that they are able to obtain in their role as a CLEC. This, too, ~~goes well beyond any current legal requirement and~~ represents a procompetitive benefit for Illinois that would not otherwise exist.

Certain parties have criticized Joint Applicants' commitment as being vague or illusory. One purpose of the follow-up questions in the June 15 letter was to clarify the commitment and obtain more detail about its implementation. ~~We believe that Joint Applicants have provided the detail we sought, and that the limitations and caveats placed on the commitment are appropriate.~~ Indeed, in ~~limited~~~~many~~ cases the limitations ~~on the commitments~~— such as that price terms from other states not be automatically imported to Illinois – are supported by Staff and are necessary to preserve this Commission's role in shaping competitive policy in Illinois. We believe one of AT&T's proposals best meets the problems outlined above by SBC and the CLECs. Joint Applicants should provide CLECs in Illinois the same services, facilities or interconnection agreements/arrangements, except as to price, that any SBC ILEC affiliate has voluntarily negotiated, or has been ordered to provide under an arbitration in another state. If SBC believes that a particular provision or agreement is technically unfeasible in Illinois, or contrary to Illinois law or policy, SBC would bear the burden of proof of same. SBC could also request a waiver of any provision or agreement/arrangement or arbitration.

Likewise, while there may be future disputes about what arrangements from other SBC states are "technically feasible" in Illinois or whether a CLEC in Illinois is "similarly situated" to the SBC CLEC, that is not a reason to reject or modify the commitment. Technical feasibility is already a limitation on "most favored nation" rights (*see* 47 C.F.R. § 51.809); the only difference now is that Illinois CLECs will have a potentially much broader group of arrangements to choose from in seeking to adopt provisions from other contracts, which benefits the CLECs. That represents a benefit that would not exist without the merger. This Commission, however, does not want the standard of technical feasibility to serve as a roadblock to competition in Illinois. Therefore, if as a result of the compliance proceeding provided for further in this Order, Joint Applicants demonstrate that a term or condition is not technically feasible, then Joint Applicants will be required to take whatever steps are necessary to make such term or condition technically feasible within timeframes proscribed by the Commission unless the Commission approves a reasonable alternative. Anything less would permit Joint Applicants to refrain from offering a term or condition in Illinois that is offered in another state, thereby disadvantaging competition in Illinois and defeating this Commission goal of making Illinois a haven of best practices. Furthermore, this Commission does not want to provide Joint

Applicants an easy excuse for not offering a term or condition in Illinois that is offered in another state or states.

Regarding the concern of some parties that Interconnection Commitment D does not include terms and conditions obtained by the SBC CLEC through most-favored nation rights, we agree with Joint Applicants that importation of such terms is ~~not~~ necessary. Therefore, if an SBC CLEC obtains a term or condition, it shall offer it in Illinois in a manner consistent with this Order. ~~The theory prompting Interconnection Commitment D is that the SBC CLEC could exercise unique bargaining power to extract unique contract terms from out-of-region incumbent LECs. The exercise of most favored nation rights requires no bargaining power or special expertise at all; the SBC CLEC would just get the same deal as a prior CLEC. Thus, we will not expand Interconnection Commitment D beyond the specific Commitment made by Joint Applicants.~~

We believe that a compliance proceeding initiated by this Commission that include~~the proposed collaborative process among~~ Joint Applicants, Staff, and other parties will help simplify the adoption of terms from out-of-state interconnection agreements and significantly aid us in resolving any disputes that may arise in specific cases. We strongly encourage the parties to work together in this process to resolve disputes short of litigation and recognize that Staff review of the terms and conditions will be critical. We also will seriously consider the proposals that one or more Commissioners participate directly in the compliance proceeding~~collaborative process~~, though we need not resolve that issue here.

As a part of the compliance proceeding, Joint Applicants will be subject to penalties as determined by this Commission in such proceeding for the failure to fulfill these requirements. To force competitors to arbitration to enforce requirements ordered by this Commission is burdensome and unfair to competitors. This Commission will use the compliance proceeding to develop a record that will determine the extent and amount of penalties to which Joint Applicants will be subject.

Finally, it should be remembered that these commitments do not affect this Commission's authority over Ameritech Illinois. This Commission will retain its full authority to ensure compliance with each of these commitments and any other provisions of the order approving this merger.

**B. The OSS Performance Measurements, Benchmarks and Liquidated Damages Adopted by the HEPO for SBC/Ameritech are Insufficient**

NEXTLINK respectfully disagrees with the HEPO regarding OSS performance measurements/standards and liquidated damages and submits that the HEPO must be strengthened substantially with respect to these issues. NEXTLINK urges the Commission to reject the HEPO's conclusion on OSS and require SBC/Ameritech to implement all 122 OSS performance measurements/standards and associated liquidated damages that have been adopted as a result of the Texas collaborative process, or a reasonable alternative if not technically feasible, within 345 days of the Commission's Final Order in this proceeding. This condition clearly is necessary to protect Ameritech Illinois' customers and therefore should be imposed pursuant to the Commission's 7-204(f) authority. (220 ILCS 5/7-204(f)).

NEXTLINK also urges the Commission to reject the SBC/Ameritech Task Force/collaborative process recommended by SBC/Ameritech, and accepted by the HEPO, for adoption of OSS performance measurements and standards. This process is seriously flawed because it should not be solely up to SBC/Ameritech to determine the feasibility of the performance measures/standards that should be implemented.

Although SBC/Ameritech has suggested that the collaborative process with Commission Staff and CLECs will be used to determine the initial performance measurements, standards/benchmarks, and remedies to be implemented in Illinois within 210 days of the closing of the acquisition (SBC/Ameritech Exhibit 10.0 at 4 – 5), what is the likelihood that SBC/Ameritech will agree to implement a measure during the collaborative process that SBC/Ameritech's own Task Force previously determined was infeasible? It is obvious that any so-called collaborative process will be of limited value if SBC/Ameritech takes it upon itself to



determine what OSS performance measurements and standards/benchmarks will be part of the collaboration. This approach permits SBC/Ameritech to embark on a systematic carve-out of OSS commitments made in Texas and renders the 210 day time period meaningless.

Moreover, the HEPO further facilitates this carving out process by accepting SBC/Ameritech's proposal that it be allowed to eliminate not only OSS performance measurements and standards/benchmarks that are technically infeasible, but also those that are economically infeasible. While technical feasibility is a commonly used term in the industry which is used in the Telecommunications Act and defined in the FCC Rules, SBC/Ameritech has invented the concept of economic feasibility out of whole cloth. Indeed, SBC witness Dysart testified that "I really can't tell you if it's commonly used in telecommunications." (Transcript at 2328). Economic feasibility should therefore be rejected out of hand by the Commission.

Instead of a "collaborative process" in Illinois which includes consideration of economic feasibility, SBC/Ameritech should be required to implement the 122 Texas performance measurements and standards/benchmarks, or a reasonable alternative if not technically feasible, within 345 days of the Commission's Final Order in this proceeding. This implementation should be reviewed as part of the compliance proceeding further discussed infra in which the Commission can develop a full record regarding technical feasibility if necessary and enforce the liquidated damages remedies to which SBC/Ameritech has committed in Texas when a performance measure/standard is adopted (Transcript at 2337), as well as additional remedies if necessary. In the event the Commission agrees with SBC/Ameritech in this compliance proceeding that a particular performance measure or standard is not technically feasible, SBC/Ameritech should be required to make such measure or standard technically feasible within

a prescribed period of time or pay penalties as determined by the Commission unless SBC/Ameritech has implemented a reasonable alternative which is approved by the Commission.

Finally, the Commission should require independent, third-party testing of SBC/Ameritech's OSS systems modeled after the procedures developed by the New York Public Service Commission ("NY PSC") in Case No 97-C-0271. Such procedures can serve as a vehicle for the Commission's own evaluation of SBC/Ameritech's OSS. The process in New York, although not perfect, has been an extremely productive mechanism to identify flaws and problems with Bell Atlantic's OSS systems and provide incentives to Bell Atlantic to improve these systems.

**1. Exceptions to the HEPO Regarding SBC/Ameritech's Insufficient OSS Performance Measurements, Benchmarks and Liquidated Damages**

In accordance with the foregoing, NEXTLINK details its exceptions to the HEPO in Section IV.A.1 infra regarding OSS performance measurements, standards/benchmarks and liquidated damages. Additionally, NEXTLINK respectfully disagrees with the Commission Analysis and Conclusion on pages 71 and 72 of the HEPO and submits that the HEPO should be modified as follows:

**Commission Analysis and Conclusion**

~~We believe that Joint Applicants have been responsive to our questions.~~  
We ~~also~~ find that Joint Applicants' proposed OSS commitment ~~does not~~ satisfies our concerns and is not acceptable in its present form. ~~However, in particular, we conclude that~~ the OSS commitments contained in this Order will bring a procompetitive benefit to CLECs and end-users in Illinois that would not exist absent the merger.

~~With regard to the specific timetable for integrating Joint Applicants' OSS systems, Joint Applicants' 3-phase proposal strikes us as a reasonable approach to~~

~~what will certainly be a complex and expensive process. While some parties may disagree with the degree of complexity, the integration of OSS systems is really an internal decision driven by the parties most knowledgeable about the respective systems. The main purpose of our question was to obtain some firmer idea of what the plans were for integration and to ensure that the integration process would not have an adverse impact on competition in Illinois. We are satisfied that Joint Applicants' proposal will not adversely affect competition in Illinois and is subject to appropriate enforcement mechanisms.~~

~~With regard to third-party testing, and in order to identify flaws in the OSS system and assist in remedying such flaws, we order that the Joint Applicants' OSS system shall be subject to independent, third party testing conducted under the compliance proceeding to be ordered by this Commission. OSS systems are critical to competitors and are too important to be left entirely to Joint Applicants with respect to issues of technical feasibility and compliance.we agree with Staff witness McClerren that there is no need to appoint a specific entity to perform such testing as part of this case. Beyond that, we also agree with Joint Applicants that no such testing needs to be mandated at this time. Joint Applicants' commitment includes a collaborative process open to all CLECs. We would expect that process to lead to agreement on most or all issues and to include both internal and CLEC testing of the OSS systems. We also note that, while we are willing to serve as arbitrator of disputes arising from the OSS collaborative process (as Staff suggests we should) and will do so if asked, we would prefer to work with regulatory bodies in other states to devise some consolidated process for such disputes covering all states, which would lead to greater uniformity and perhaps faster implementation.~~

~~Thus, the Commission finds the Joint Applicants' OSS proposal allows for Staff involvement in the collaborative process as well as very detailed benchmarks which will enable the Commission to closely monitor the Joint Applicants' OSS performance. In the event the Joint Applicants' OSS fail to meet their OSS commitments, they will incur penalties up to \$90 million annually. This combination of CLEC collaboration, Commission oversight, and strict penalty enforcement reduces the need for independent third party review.~~

~~Finally, under Illinois law, the Commission is legally restricted from awarding state contracts for professional services absent a competitive bidding process. See 30 ILCS 500/35-30 (West's Supp. 1998). As a result, any third party testing would be subjected to a competitive bidding process and we hereby order such process to commence immediately.~~

#### **IV. THE JOINT APPLICANTS' ENFORCEMENT MECHANISMS ARE INSUFFICIENT**

##### **A. The Commission Should Establish a Compliance Proceeding to Ensure That SBC/Ameritech Complies with the Requirements of the Final Order in This Proceeding**

NEXTLINK respectfully disagrees with the HEPO's conclusion that the "collaborative process" suggested by SBC/Ameritech is an adequate forum to monitor and enforce SBC/Ameritech's compliance with the requirements of the Final Order in this proceeding. Rather, to ensure ongoing compliance with the requirements that result from this proceeding, the Commission should institute a compliance proceeding for a period of 5 years to monitor and enforce compliance by SBC/Ameritech with the requirements of the Commission's Final Order. The Commission should also use this compliance proceeding to determine issues such as technical feasibility and to develop a more complete record regarding the requirements placed on SBC/Ameritech so that implementation timeframes and associated penalties can be determined with more certainty.

This proceeding will be essential because in the absence of a compliance proceeding CLECs would be forced to arbitrate each and every failure of SBC/Ameritech to live up to its commitments, including those commitments regarding UNEs, services, facilities and interconnection agreements/arrangements. Therefore, a compliance proceeding is critical not only for the efficient enforcement of the Commission's Final Order in this proceeding, but also to help facilitate the development of a competitive local telecommunications exchange market in this state.

## **1. Exceptions to the HEPO Regarding Enforcement Mechanisms**

In accordance with the foregoing, NEXTLINK respectfully disagrees with the Commission Analysis and Conclusion on page 117 of the HEPO and submits that the HEPO should be modified as follows:

### **Commission Analysis and Conclusion**

~~Our conclusion here follows from our conclusion regarding question 11. Joint Applicants have committed to appropriate compliance mechanisms for failure to meet conditions and their specific commitments on reopening. These mechanisms include all of the Commission's usual statutory enforcement tools, along with arbitration or other procedures where appropriate. Perhaps more important, Joint Applicants have agreed to various collaborative processes with Staff and CLECs, which should help identify and resolve (or at least narrow) disputes before formal litigation. For example, the proposal that Staff create a report describing which non-Illinois contractual terms and conditions should be available in Illinois should ease resolution of disputes in that area. As with question 11, then, Joint Applicants' commitment with respect to question 12 represents a procompetitive benefit to CLECs and end-users in Illinois that would not exist absent the merger. Upon issuance of this Order, the Commission shall initiate a proceeding for the purpose of ensuring Joint Applicants' compliance with the requirements of this Order and to develop a record upon which to base and levy penalties upon the Joint Applicants for non-compliance with the interconnection requirements and OSS performance measurements, standards/benchmarks and remedies set forth in this Order. Such proceeding shall have a duration of 5 years, subject to the annual determination of this Commission as to whether to continue such proceeding. If this Commission so determines, it may extend the compliance proceeding beyond this 5 year period.~~

NEXTLINK also respectfully disagrees with the Commission Analysis and Conclusion on page 121 of the HEPO and submits that the HEPO should be modified as follows:

### **Commission Analysis and Conclusion**

We conclude that Joint Applicants' commitment to implement at least 79 of the 122 Texas performance measures within 300 days of the merger closing ~~begins to address responsive to our concerns, represents a substantial improvement over the status quo in Illinois, and will have procompetitive benefits for CLECs and end-users in Illinois that would not exist absent the merger.~~ The procedures to implement this commitment are reasonably quick, given the complexity of the task, and Joint Applicants have agreed that the 79 measures is a floor and that they intend to adopt most or all of the remaining Texas measures as well. ~~While parties can always argue for more measures, there is no guarantee that every measure is helpful to competition, as opposed to just being a burden for the incumbent LEC.~~ As a result, we believe that the implementation of 79 benchmarks is a good starting point, but that each and every Texas performance measure must be implemented in Illinois. In the event a Texas performance measure is not technically feasible, a comparable alternative approved by this Commission must be offered. In the event no comparable alternative is available, Joint Applicants shall then take the required actions to make such Texas performance measure technically feasible and provide it in Illinois. Such actions shall be reviewed in the annual compliance proceeding. ~~and again rely on the collaborative processes for the parties to determine which measures are necessary and feasible.~~

NEXTLINK also respectfully disagrees with the Commission Analysis and Conclusion on pages 137 through 142 of the HEPO and submits that the HEPO should be modified as follows:

~~27) — Enforcement and Compliance Monitoring.~~

~~—— Joint Applicants shall appoint and identify to this Commission a corporate officer to oversee implementation of, and compliance with, these commitments; to monitor Joint Applicants' progress toward meeting the deadlines specified herein; to provide periodic reports regarding Joint Applicants' compliance as required; and to ensure that any payments due under these commitments are timely made. The compliance officer will report directly to the audit committee of SBC/Ameritech's Board of Directors, who will oversee the corporate compliance officer's fulfillment of these responsibilities.~~

~~—— No later than 6 months after the merger closing, and annually thereafter until the expiration of each of these commitments, Joint Applicants will file with the Commission, for the public record, a report detailing its compliance with these commitments. Joint Applicants will make a copy of its most current compliance report publicly available on their Internet site.~~

~~Joint Applicants will, at their own expense, annually engage independent auditors to verify SBC/Ameritech's compliance with these commitments. The first compliance review will be due 1 year after the merger closing and compliance reviews covering a period of 3 years after the merger closing will be submitted. The independent auditor will have access to all of Joint Applicants' records, accounts, memoranda, and documentation necessary to evaluate Joint Applicants' compliance with these commitments. The independent auditor also may verify Joint Applicants' compliance through contacts with the ICC, the FCC, or Joint Applicants' wholesale customers, as appropriate. The Commission will have access to the working papers and supporting materials of the independent auditor. The independent auditor's review will be filed with the Commission for the public record. The review will address: the accuracy of the compliance report submitted by Joint Applicants during the period covered by the review and Joint Applicants' compliance with each of the commitments during the period covered by the review, to the extent that compliance is not addressed by Joint Applicants' compliance report. As filed with the Commission, the review will include: (i) findings and exceptions of the independent auditor; (ii) the response of Joint Applicants to any exceptions of the independent auditor; and (iii) the reply of the independent auditor to the company's response.~~

~~If the Commission makes a determination, after due process, that Joint Applicants have during the effective period of a condition materially failed to comply with that condition, the Commission may, at its discretion, extend the effective period of that condition for a period that does not exceed the period during which Joint Applicants materially failed to comply with the condition.~~

~~Joint Applicants will make payments due under these commitments within 10 business days of a determination by Joint Applicants' compliance officer, the Commission, or an arbitrator, that payment is due.~~

~~These specific enforcement mechanisms will not abrogate, supersede, limit, or otherwise replace the Commission's enforcement powers under State law.~~

(278) Recordation of All Savings and Costs - The Joint Applicants will be held responsible for recording all savings and all costs relating to the merger in the manner described herein with the ultimate result that 50% of the net merger savings be allocated to consumers as previously set forth in this Order. We note that this measure puts the burden on the Joint Applicants to affirmatively evidence compliance in all particulars thus conserving Staff's time and resources.

(289) Interconnection - Ameritech Illinois will provide interconnection in accordance with the following interconnection commitments:

#### **Interconnection Condition A**

A. Ameritech Illinois shall provide to CLECs in Illinois those services, facilities or interconnection agreements/arrangements offered by SBC and Ameritech in their in-region states subject to the following exceptions and conditions:

- Ameritech Illinois shall be required to offer to CLECs in Illinois UNEs, services, facilities or interconnection agreements/arrangements which have been voluntarily agreed to by SBC or Ameritech in another state or imposed upon SBC or Ameritech by another state as a result of an arbitration (as opposed to a voluntary agreement);
- Ameritech Illinois shall be required to offer to CLECs in Illinois UNEs, services, facilities or interconnection agreements/arrangements, unless it demonstrates by a preponderance of the evidence that they are technically infeasible or unlawful or contrary to state policy;
- Ameritech Illinois may request a waiver of any provision of an agreement/arrangement or arbitration;
- Ameritech Illinois shall not be required to offer to CLECs in Illinois UNEs, services, facilities or interconnection agreements/arrangements at the same rates or prices as SBC makes such offerings in SBC in-region territories since costs may and do vary by state, and pricing in each state reflects state pricing policies and costs;
- This condition does not waive or affect Joint Applicants' right to seek modifications to interconnection agreements which incorporate services, facilities, or interconnection arrangements if changes in applicable law or state or federal requirements alter the requirements for such UNEs, services, facilities, or interconnection agreements/arrangements.

~~The Commission finds this condition to be valuable to CLECs and the expansion of the competitive market in Illinois, particularly since Section 252(i) of TA 96 does not contemplate automatic adoption of one state's approval of an interconnection agreement in other states. This is especially so where Ameritech Illinois is not a "party" to interconnection agreements in other SBC states. In addition, the Commission also finds that excluding from the automatic requirements of this condition interconnection arrangements that are imposed upon SBC by arbitration retains for this Commission its ability to review Illinois interconnection agreements from an Illinois perspective, rather than adopting the policies of other states.~~

Further, Joint Applicants will be subject to penalties as determined by this Commission in its compliance proceeding for compliance with this Order for any failure to fulfill these requirements. To force competitors to arbitration to enforce requirements ordered by this Commission is burdensome and unfair to



competitors. This Commission will use the compliance proceeding to develop a record that will determine the extent and amount of penalties to which Joint Applicants will be subject.

In relation to these interconnection commitments, Joint Applicants shall make available the following optional payment plan for non-recurring charges:

As an incentive for local residential telephone competition, Ameritech Illinois will offer a promotional 18-month installment payment option to CLECs for the payment of non-recurring charges associated with the purchase of unbundled network elements used in the provision of residential services and the resale of services used in the provision of residential services. This promotional 18-month installment option will begin on the date 30 days following the Commission's entry of a final appealable order approving the Merger and will terminate 3 years following the Merger Closing Date. No interest will be assessed on the remaining balance during the 18-month period as long as the CLEC continues to purchase the residential unbundled network element or residential resold service. In the event the CLEC does not purchase the residential unbundled network element or residential resold service for the entire 18 month payment period, any remaining non-recurring charge balance shall immediately be due and payable when the service is terminated. Unless an interconnection agreement by its terms specifies otherwise, interest at a rate of 8% per annum will be assessed on any amounts that become immediately due and payable and are not paid within 30 days of same. If a CLEC disputes its obligation to make payment when due, it will place the amount due in an escrow account earning a rate of at least 8% interest, pending a final resolution of the dispute.

As an additional incentive for local residential telephone competition, Ameritech Illinois agrees to waive the Bona Fide Request ("BFR") initial processing fee associated with a BFR submitted by a CLEC for service to residential customers under the following condition: the CLEC submitting the BFR must have, for the majority of the BFR requests it has submitted to Ameritech Illinois during the preceding 12 months, completed the BFR process, including the payment of any amounts due. The BFR initial processing fee will be waived for a CLEC's first BFR following the Merger Closing Date and for a CLEC that has not submitted a BFR during the preceding 12 months. This BFR fee waiver will be offered for a period of 3 years following the Merger Closing Date.

While the process for negotiating and incorporating proposed changes to interconnection agreements resulting from Condition A will be dictated by the normal Section 252 negotiation / arbitration process, Ameritech Illinois shall begin reviewing such proposed changes within 30 days of the Merger Closing Date.

### **Interconnection Conditions B and C**

**B.** No later than 90 days after the Merger Closing Date, Joint Applicants shall participate in a ~~compliance proceedingworkshop or collaborative process~~ with Staff and CLECs to compare UNEs, services, facilities or interconnection agreements which SBC has made available to CLECs in SBC's in-region states and which Ameritech has made available to CLECs in Ameritech's in-region states, and which are not currently available and desired by CLECs in Illinois. This ~~proceedingworkshop~~ shall conclude its work within 60 days. The Commission Staff shall take a primary role as a facilitator. Within 90 days of the initiation of this ~~proceedingworkshop~~, Staff shall produce a report summarizing the interconnection terms and conditions that will be made available and the interconnection arrangements that CLECs desired. Of the arrangements desired by CLECs, Staff will summarize those that Ameritech Illinois agreed to and that Ameritech Illinois objected to. Where Ameritech Illinois raised objections, Staff shall state its position on the merits of Ameritech Illinois' objections.

Condition B and this ~~proceedingworkshop process~~ are ancillary to Condition A. Should any disagreement arise as to whether an interconnection arrangement requested of Ameritech Illinois is subject to Condition A, the Commission expects that any parties negotiating for interconnection terms under Condition A shall make use of the Staff's report in those negotiations. In the event of any dispute regarding the availability of any term or condition offered in another state and supported by Staff's report, a CLEC may raise such dispute in the compliance proceeding for faster resolution than through the Section 252 arbitration process. While a CLEC may avail itself of the Section 252 arbitration process, the purpose of the compliance proceeding is to ensure that Joint Applicants comply with the requirements of this Order. To force CLECs to endure the arbitration process to remedy Joint Applicants' non-compliance with this Order is burdensome, lengthens the time in which a CLEC achieves a term or condition to which it is already entitled under this Order and provides CLECs with nothing more than they have today. Therefore, the Commissioners will not take any active role in this process unless and until a Section 252 arbitration is brought before us. The Section 252 arbitration process is the most appropriate and most efficient enforcement mechanism for these commitments since the ultimate goal of these commitments is to make available to CLECs the interconnection arrangements covered by Condition A. The way those arrangements are made available is through interconnection agreements.

**C.** Joint Applicants shall provide copies of interconnection agreements from other states to the Commission upon request.

This condition will make information available that may be useful to the Commission and its Staff during the collaborative process and/or thereafter to monitor Joint Applicants' continued compliance with the condition of offering agreements from other states in Illinois.

This condition will also make information conveniently available to interested parties, since the Commission intends to use it to establish a repository -- similar to the existing repository of in-state interconnection agreements -- in this State for all of Joint Applicants' interconnection agreements requested so that those agreements are available for review to all CLECs operating in this State, as well as to the public at large.

Again, however, this condition is ancillary to Conditions A and D, where Joint Applicants commit to make certain terms in these agreements available. The ultimate enforcement of this condition C would come through the negotiation process and, where necessary, the compliance proceeding or the Section 252 arbitration process.

#### **Interconnection Condition D**

**D.** If a CLEC affiliate of SBC/Ameritech obtains a UNE or interconnection arrangement from an incumbent LEC through negotiation of that arrangement or through arbitration initiated by the SBC/Ameritech CLEC under 47 U.S.C. § 252, then Ameritech Illinois shall make available to requesting, similarly situated CLECs in Illinois, through good-faith negotiation, the same UNE or interconnection arrangement on the same terms (exclusive of price). Ameritech Illinois shall be obligated to provide such UNE or interconnection arrangement(s) where it is technically feasible to do so on or in the network of Ameritech Illinois and subject to the unbundling limitations of 47 U.S.C. § 251(d)(2).

The determination of whether a UNE or interconnection arrangement is technically feasible shall follow 47 CFR § 51.5. The determination of whether the requesting CLEC is similarly situated shall include whether the requesting CLEC is seeking to obtain interconnection agreements containing the same volume, term and area of service commitments and the same terms and conditions concerning any relevant issues such as signaling requirements and interconnection arrangements as Joint Applicants' CLEC affiliate's interconnection agreement. If there is a dispute in this regard it will come to the Commission in the form of an arbitration or complaint.

The price(s) for such UNEs or interconnection arrangements shall be negotiated on a state-specific basis and, if such negotiations do not result in agreement, Ameritech Illinois shall submit the pricing dispute(s), exclusive of the related terms and conditions required to be provided under this Section, to this Commission for resolution under 47 U.S.C. § 252.

NEXTLINK also respectfully disagrees with the Commission Analysis and Conclusion on pages 147 through 151 of the HEPO and submits that the HEPO should be modified as follows:

## B. Additional OSS Commitments

To the extent that OSS issues in addition to those identified above are raised in any collaborative process, Joint Applicants shall make such issues part of the compliance proceeding appropriate collaborative processes.

(32) Performance Measuring, Benchmarks and Liquidated Damages - Joint Applicants will establish performance measurements, benchmarks and provide for liquidated damages in accordance with the performance measurements, benchmarks and liquidated damages commitment set forth below:

### **Performance Measures, Benchmarks and Liquidated Damages Commitments**

~~1. Within 60 days following the Merger Closing Date, SBC/Ameritech will establish a joint SBC/Ameritech task force comprised of their performance measurements subject matter experts that is to develop a plan to implement OSS and facilities performance measurements, associated standards/benchmarks, and remedies in Illinois.~~

~~2. The task force will review the economic and technical feasibility of adopting in Illinois each of the OSS and facilities performance measurements and related standards/benchmarks that SBC has agreed to implement in Texas as a result of the Texas collaborative process (which is outlined in Attachment 1 to this Order). This review will identify the differences, if any, between the underlying legacy systems and equipment, including computer, manual and data generating systems and equipment, in Texas and Illinois which may make it economically or technically infeasible to implement certain agreed to performance measurements and/or related standards/benchmarks in Illinois. If no such differences are identified for a particular measurement or standard/benchmark, SBC/Ameritech will implement that performance measurement or standard/benchmark in Illinois. As of June 18, 1999, SBC had agreed to implement in Texas 122 such performance measurements and Agreed To Standards/Benchmarks, which include the performance measurements identified in a U.S. Department of Justice March 6, 1998 letter. The task force will include these measurements or standards/benchmarks within its review. The task force will also review the remedies agreed to in the Texas collaborative process (which are outlined in Attachment 2 to this Order) to determine whether it is appropriate to implement such remedies in Illinois considering any relevant differences between Texas and Illinois.~~

~~3. Within 90 days following the Merger Closing Date, in conjunction with such task force, SBC/Ameritech will work with the Commission Staff, CLECs, and any other interested parties in a collaborative process to develop the initial performance measurements, standards/benchmarks, and remedies to be~~

~~implemented in Illinois. SBC/Ameritech will meet with the collaborative participants on a regular basis to review the status of implementing each of the agreed to performance measurements, Agreed To Standards/Benchmarks, and/or remedies in Illinois. Such review will include either:~~

~~1. the timeline for implementing the performance measure, associated standard/benchmark, and remedy in Illinois; or~~

~~2. an explanation of why SBC/Ameritech contend it is not economically and/or technically feasible to implement either the performance measure, standard/benchmark or remedy in Illinois, in which case SBC/Ameritech would discuss any substitute measure(s), associated standard(s)/ benchmark(s), and/or remedy(ies) that would be appropriate.~~

~~4. Within 150 days following the Merger Closing Date, the task force will complete its initial review of performance measurements/standards/benchmarks/remedies with the collaborative participants.~~

~~5. Beginning 120 days following the Merger Closing Date and completing within 210 days following the Merger Closing Date, SBC/Ameritech will implement in Illinois (subject to any required Commission approval, which will be timely sought), each of the Agreed To Standards/Benchmarks that they determine are economically and technically feasible to implement. Implementation will occur on a rolling basis as each Agreed to Standard/Benchmark is tested and becomes operationally ready and will fully apply to both resale and facilities, where applicable, when implemented. If SBC/Ameritech determine that it is not economically or technically feasible to implement one or more Agreed To Standards/Benchmarks in Illinois within 210 days following the Merger Closing Date, they agree to implement such Agreed To Standards/Benchmarks as soon as it is economically or technically feasible to do so.~~

~~6. Within 300 days following the Merger Closing Date, Ameritech Illinois will implement in Illinois at least 79 of the 122 performance measurements and related standards/benchmarks. Ameritech Illinois will not raise economic or technical feasibility as an excuse for noncompliance with this commitment. Within 310 days following the Merger Closing Date, SBC/Ameritech will file a letter in this docket and serve such letter upon all CLECs with whom Ameritech Illinois has an approved interconnection agreement attesting whether or not Ameritech Illinois has met this commitment. Such attestation is subject to review by the Commission. If SBC/Ameritech attest that they did not, or the Commission finds that they did not implement in Illinois at least 79 of the 122 performance measurements and related standards/benchmarks within of 300 days following the Merger Closing Date, SBC/Ameritech will make a payment of \$30 million, as follows:~~

~~a. — \$26.25 million, as payments to CLECs providing end-user service within Ameritech Illinois' service area as of the date 300 days following the Merger Closing Date as follows:~~

~~A. — A CLEC's Access Lines, for each CLEC, shall be its total number of access lines in service, including, without limitation, residence access lines, business access lines and end-user trunks, and ISDN lines, whether resold or not, measured as of the date 300 days following the Merger Closing Date, within Ameritech Illinois' current service area. Each CLEC that desires to receive any of the \$26.25 million in payments must provide to the Commission Staff, no later than 330 days following the Merger Closing Date, a report identifying the number of such lines and trunks for that CLEC. Such report shall separately identify: i) the number of resold Ameritech Illinois access lines; ii) the number of unbundled loops purchased from Ameritech Illinois; and iii) all other such lines and trunks in service within Ameritech Illinois' current service area. Each CLEC submitting such a report will certify to the Commission Staff the accuracy of such report. The Commission Staff will notify each qualifying CLEC of its pro-rata share of the \$26.25 million. Thirty days after the date of such notice, the Commission Staff will provide notice to SBC/Ameritech as to the appropriate disbursement of the \$26.25 million. Within 60 days of receiving this notice from the Commission Staff, Ameritech Illinois will issue checks totaling \$26.25 million made payable to each qualifying CLEC for the disbursement amounts listed in Staff's notice to Ameritech Illinois.~~

~~B. — Total CLEC Access Lines shall be the sum of A. above for all qualifying CLECs submitting a timely report.~~

~~C. — A CLEC's Pro-Rata Share shall be the ratio of A. above for that CLEC, divided by B.~~

~~D. — Each affected CLEC within Ameritech Illinois' current service area shall receive a payment equal to \$26.25 million multiplied by the CLEC's Pro-Rata Share; and~~

~~b. — \$3.75 million to the Community Technology Fund described below:~~

~~7. — If Ameritech/Illinois reports that it has met the commitments as provided and that is disputed, the Commission may issue an order to resolve that dispute and may set forth appropriate time frames.~~

~~8. — For each Agreed to Standard/Benchmark to be implemented in Illinois that has an SBC agreed-upon remedy in Texas, SBC/Ameritech will discuss with the collaborative participants the proposed remedy to be attached to such Agreed to Standard/Benchmark in Illinois. After SBC/Ameritech implement an Agreed To Standard/Benchmark in Illinois, they will also implement (subject to any required Commission approval, which will be timely sought) any remedy to be associated with such Agreed To Standard/Benchmark consistent with the approach used in~~

~~the Texas collaborative process. If the collaborative participants agree, SBC/Ameritech will refrain from implementing a particular remedy. Regardless of whether or not SBC agrees to remedies (e.g., damages, assessments, and credits) associated with one or more Agreed To Standards/Benchmarks in the Texas collaborative, the Illinois collaborative process is not precluded from considering any proposed remedy or remedies.~~

~~9. If any participant in the collaborative process disputes SBC/Ameritech's determination that it is not economically or technically feasible to implement a particular Agreed To Standard/Benchmark in Illinois, either at all or within the 210 day time period, the collaborative participants will collaborate to resolve such dispute in the collaborative process. If any such dispute cannot be resolved through the collaborative process, any participant may ask the Commission to resolve such dispute. In any such dispute that may arise before the Commission, SBC/Ameritech retain the burden of proving to the Commission that it is not economically or technically feasible to implement an Agreed To Standard/Benchmark in Illinois.~~

~~10. Ameritech Illinois will provide a report to the Commission Staff on the results of its performance measurements on a quarterly basis, beginning the first full calendar quarter in which Ameritech Illinois has at least one full month of data for one or more performance measurements, and will report with respect to transactions affecting Illinois CLECs relative to their provision of service to end users in Illinois. If it is not economically or technically feasible, as discussed in the collaborative process, for Ameritech Illinois to report transactions on that basis, reporting will be done either on an Ameritech wide or SBC wide basis as reasonably determined by Ameritech Illinois after consulting with Commission Staff. Performance measurement reports will be provided to CLECs in conformance with each CLEC's interconnection agreement and will be made available electronically if so requested.~~

~~11. For a minimum of one year following the Merger Closing Date, and thereafter on an as needed basis as determined by Staff, participants in the collaborative process will collaborate to implement any additions, deletions, or changes to the performance measurements, standards/benchmarks, and remedies that are implemented by SBC/Ameritech in Illinois. Any participant may propose such addition, deletion, or change based upon experience with such implemented performance measurements, standards/benchmarks, remedies, or any other factor. If a dispute over any such addition, deletion, or change cannot be resolved through the collaborative process, any participant may ask the Commission to resolve such dispute. The participant proposing the addition, deletion, or change retains the burden of proving that such addition, deletion, or change should be adopted in Illinois.~~

~~(33) no, later than seven (7) days after the entry of a final Order the Joint Applicants should notify the Commission, pursuant to the provisions of Section~~



~~10-112 of the PUA that the terms, conditions and requirements set out above are accepted and will be obeyed.~~

~~This Commission believes that the adoption of OSS performance measurements, benchmarks and liquidated damages are essential to its approval of this merger and are critical to the development of an open local exchange market in Illinois that this Commission intends to foster.~~

~~Joint Applicants, however, have presented us with a series of vague commitments that have been proposed in an uncertain manner. Therefore, this Commission is committed to bringing clarity to these issues.~~

~~Joint Applicants have offered to implement a total of 122 OSS performance measurements and standards/benchmarks in Illinois unless they are technically or economically infeasible. To ensure that these measurements and standards/benchmarks are implemented in Illinois, we hereby order that the 122 OSS performance measurements, standards/benchmarks and remedies resulting from the Texas collaborative process, or a reasonable alternative if technically infeasible, shall be implemented in Illinois within 345 days from the closing date of the merger.~~

~~In their proposals, Joint Applicants have recognized the need for penalties for Joint Applicants' failure to provide the OSS performance measurements, standards/benchmarks and remedies within certain periods of time. Therefore, we determine that consistent with their proposal, in the event Joint Applicants fail to implement the 122 OSS performance measurements, standards/benchmarks and remedies or if not technically feasible a reasonable alternative within 345 days, Joint Applicants shall pay to CLECs and to a newly established Community Technology fund fines in an amount to be determined by this Commission, but in no event shall such fines be less than \$30 million.~~

~~While Joint Applicants seek to make the implementation of OSS performance measurements and standards/benchmarks a product of a collaborative process, the Commission is concerned regarding the inherent informal nature of that proceeding. Therefore, and consistent with the foregoing, we hereby order that the review of the implementation of these OSS performance measurements, standards/benchmarks and remedies be part of the compliance proceeding to be conducted by this Commission and under which the Commission shall levy appropriate penalties for Joint Applicants' failure to implement a performance measurement or standard/benchmark unless the Commission found that the measure is technically infeasible and SBC/Ameritech has implemented a reasonable alternative which is approved by the Commission. The penalties shall include but not be limited to the liquidated damages to which Joint Applicants have committed when Texas performance measurements and benchmarks/standards are adopted. This Commission shall initiate such compliance proceeding on its own authority immediately following the merger closing date. In addition, and in order to identify flaws in the OSS system and~~



assist in remedying such flaws, we also order that the SBC/Ameritech OSS system shall be subject to independent, third party testing, conducted as part of the compliance proceeding to be ordered by this Commission.

**C. Exceptions to the Ordering Paragraphs to Provide Sufficient Interconnection, OSS and Performance Requirements.**

In accordance with the foregoing exceptions to the HEPO, finding (9) and the ordering paragraph set forth on pages 152 and 153 of the HEPO should be revised as follows:

~~(9)if the Joint Applicants do not comply with the conditions set forth herein, the Commission will impose the maximum penalty provided by law, with a penalty cap of \$90 million annually;~~

~~(10)the materials submitted by the parties in this proceeding on a proprietary basis or for which proprietary treatment was requested are hereby considered proprietary and should continue to be accorded such treatment;~~

~~(11)any petitions, objections or motions in this proceeding that have not been specifically disposed of should be disposed of in a manner consistent with the Commission's conclusions herein.~~

(9) Joint Applicants shall offer in Illinois each and every UNE, service, facility and interconnection agreement/arrangement that Joint Applicants offer either voluntarily or as a result of arbitration in every state that is in either SBC's or Ameritech's incumbent service territory;

(10) Joint Applicants' offering of such each and every UNE, service, facility and interconnection agreement/arrangement shall be subject to the resulting compliance proceeding and in the event Joint Applicants fail to offer every UNE, service, facility and interconnection/arrangement which it is required to offer by this Order, Joint Applicants shall be subject to fines as determined by this Commission;

(11) Joint Applicants shall implement the 122 Texas OSS performance measurements, standards/benchmarks and remedies within 345 days of the Final Order in this proceeding, unless a measurement or standard/benchmark is not technically feasible in which case Joint Applicants will implement a reasonable alternative;

(12) in the event Joint Applicants fail to implement the 122 OSS performance measurements and standards/benchmarks from the Texas collaborative process, or if not technically feasible a reasonable alternative within 345 days of the Final

Order in this proceeding, Joint Applicants shall pay fines to CLECs and to the newly established Community Technology Fund in an amount to be determined by this Commission, but in no event shall such fines be less than \$30 million;

(13) Joint Applicants' OSS system shall be subject to independent, third party testing;

(14) this Commission shall initiate a proceeding for a duration of at least 5 years that shall govern Joint Applicants' compliance with the requirements of this Order in which the Commission may levy appropriate penalties for the Joint Applicants' failure to comply with this Order's requirements and under which independent, third party testing of Joint Applicants' OSS system shall be reviewed.

IT IS THEREFORE ORDERED, that the proposed reorganization of Ameritech Illinois, as set forth in the verified Joint Petition filed in this proceeding, should be, and hereby is, approved, subject to the conditions set forth herein Findings (7) (8) (9), and (33).

### **CONCLUSION**

WHEREFORE, NEXTLINK respectfully requests that the Commission modify the HEPO to reject the proposed acquisition, or in the alternative, in the event the Commission nonetheless approves the acquisition, impose the conditions set forth in this Brief on Exceptions on Re-Opening.

Respectfully submitted,

NEXTLINK Illinois, Inc.

By: \_\_\_\_\_

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Its Attorneys

Dated: August 17, 1999

**STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION**

SBC Communications Inc.,	)	
SBC Delaware Inc.	)	
Ameritech Corporation,	)	
Illinois Bell Telephone Company	)	
d/b/a Ameritech Illinois, and	)	
Ameritech Illinois Metro, Inc.	)	
	)	98-0555
Joint Application for approval of the	)	
reorganization of Illinois Bell Telephone	)	
Company d/b/a, Ameritech Illinois, and the	)	
reorganization of Ameritech Illinois Metro, Inc.	)	
in accordance with Section 7-204 of the Public	)	
Utilities Act and for all other appropriate relief.	)	

**NOTICE OF FILING**

Please take notice that on August 17, 1999, NEXTLINK Illinois, Inc. sent by overnight mail, postage prepaid, an original and twelve copies of its Brief on Exceptions on Re-Opening to the Chief Clerk of the Illinois Commerce Commission, Donna Caton, 527 E. Capitol, P.O. Box 19280, Springfield, Illinois 62794-9280.

\_\_\_\_\_  
Michelle Cass

**CERTIFICATE OF SERVICE**

I, Michelle Cass, certify that on August 17, 1999, I served a copy of the foregoing document, together with a Notice of Filing, upon the Hearing Examiners by messenger hand-delivery and upon all parties of record by United States mail, postage prepaid, Oak Brook, Illinois.

\_\_\_\_\_  
Michelle Cass

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